

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-07
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15
USIA-06 EB-08 OMB-01 COME-00 TRSE-00 /068 W
-----016916 231921Z /41

R 231322Z AUG 77
FM AMEMBASSY BUDAPEST
TO SECSTATE WASHDC 9223

C O N F I D E N T I A L BUDAPEST 2870

FROM THE AMBASSADOR

E.O.11652: XGDS
TAGS: HU, PDEV, ECON
SUBJECT: MOST-FAVORED-NATION FOR HUNGARY

1. IT IS MY BELIEF, AFTER A MONTH IN HUNGARY AND A NUMBER OF HIGH-LEVEL TALKS WITH GOH LEADERS, THAT THE GOH IS DEEPLY INTERESTED IN SECURING MFN TREATMENT WITH THE U.S. --THOUGH PERHAPS STILL UNCERTAIN IF THE PRICE WILL BE ACCEPTABLE -- AND IS LOOKING TO THE U.S. TO INDICATE HOW TO MOVE FORWARD. IN ORDER TO DEAL WITH THIS ISSUE EFFECTIVELY I NEED SOME GUIDANCE ON WHAT ASSURANCES WE SHOULD OBTAIN FROM THE HUNGARIANS TO SATISFY JACKSON-VANIK CONDITIONS.

2. SINCE MY ARRIVAL THE HUNGARIANS HAVE REPEATEDLY STRESSED -- BOTH PUBLICLY AND PRIVATELY -- THE IMPORTANCE THEY ATTACH TO OBTAINING MFN TREATMENT. VIRTUALLY EVERY OFFICIAL WITH WHOM I HAVE TALKED, AND EVERY OFFICIAL WHO MET WITH CODELS MCGOVERN, BIDEN, AND EILBERG, HAS BROUGHT UP THIS SUBJECT. THERE HAVE ALSO BEEN A NUMBER OF ARTICLES IN THE PRESS TOUCHING ON MFN. THE MOST RECENT EXAMPLE WAS AN ARTICLE IN THE AUGUST 17TH FIGYELO (THE ECONOMIC WEEKLY) TITLED QUOTE HUNGARIAN-AMERICAN RELATIONS: IN THE SHADOW OF
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DISCRIMINATION END QUOTE WHICH GAVE AN UP-BEAT DESCRIPTION OF PROGRESS IN U.S.-HUNGARIAN ECONOMIC RELATIONS OVER THE PAST SEVERAL YEARS, BUT CITING LACK OF MFN AS THE REMAINING OBSTACLE TO A FULL DEVELOPMENT OF TRADE TIES.

3. IN MY MOST RECENT MEETING WITH DEPUTY FOREIGN MINISTER JANOS NAGY, HE AGAIN STRESSED THE IMPORTANCE OF PROGRESS

ON MFN, AND TOLD ME, IN EFFECT, THAT THE GOH IS WAITING FOR OUR PROPOSAL ON HOW TO MOVE AHEAD. THE HUNGARIAN INTEREST IN CONTINUING THE TECHNICAL TRADE TALKS IN SEPTEMBER IS ANOTHER CONCRETE INDICATION THAT THE GOH WISHES TO PURSUE THE MFN QUESTION.

4. ACTION REQUESTED: UNABLE TO ATTEMPT ANY FURTHER EXPLORATION OF THE MFN ISSUE UNTIL I RECEIVE GUIDANCE ON WHAT WE EVENTUALLY WILL HAVE TO OBTAIN FROM THE GOH TO SATISFY THE JACKSON-VANIK ASSURANCES REQUIREMENTS. WOULD GREATLY APPRECIATE BEING FURNISHED WITH SUCH GUIDANCE ASAP.
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Message Attributes

Automatic Decaptioning: X
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Current Classification: UNCLASSIFIED
Concepts: ECONOMIC COOPERATION, FOREIGN RELATIONS, MFN
Control Number: n/a
Copy: SINGLE
Sent Date: 23-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Executive Order: X3
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